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Counsel for Ad Hoc Group of Subrogation Claim Holders

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:	Chapter 11
	Bankr. Case No. 19-30088 (DM)
PG&E CORPORATION,	(Jointly Administered)
-and-	
PACIFIC GAS AND ELECTRIC COMPANY,	**RESERVATION OF RIGHTS OF THE AD HOC GROUP OF SUBROGATION CLAIM HOLDERS REGARDING THE APPROPRIATE POSTPETITION INTEREST RATE PAYABLE ON UNSECURED CLAIMS IN A SOLVENT DEBTOR CASE**
Debtors.	
□ Affects PG&E Corporation	
□ Affects Pacific Gas and Electric Company	Date: December 11, 2019
☑ Affects both Debtors	Time: 10:00 a.m. (Pacific Time)
	Place: United States Bankruptcy Court
* All papers shall be filed in the lead case, No. 19-30088 (DM)	Courtroom 17, 16th Floor
	San Francisco, CA 94102

1   The Ad Hoc Group of Subrogation Claim Holders (the "**Ad Hoc Subrogation Group**") in the

2   above-captioned chapter 11 cases of PG&E Corporation and Pacific Gas and Electric Company

3   (collectively, "**Debtors**"), by its attorneys Willkie Farr & Gallagher LLP and Diemer & Wei, LLP,

4   hereby submits this reservation of rights with regard to the *Debtors' Brief Regarding Applicable Rate*

5   *of Postpetition Interest on Allowed Unsecured Claims and Joinder of PG&E Shareholders* [Dkt. No.

6   4624] and the *Consolidated Opening Brief of the Official Committee of Unsecured Creditors and*

7   *Other Creditor Groups and Representatives Regarding the Appropriate Postpetition Interest Rate*

8   *Payable on Unsecured Claims in a Solvent Debtor Case* [Dkt. No. 4634].

9   The Ad Hoc Subrogation Group remains hopeful that the Amended and Restated Restructuring

10 Support Agreement (the "**RSA**") will be approved at an upcoming hearing, currently scheduled for

11 December 4, 2019. [Dkt. Nos. 3992, 4711, and 4762]. If the RSA is approved, subject to its terms

12 and conditions: (i) subrogation claims will be settled and allowed in the reduced aggregate amount

13 of $11 billion; and (ii) the creditors party to the RSA will be committed to support and vote for the

14 Debtors' plan, which provides that no postpetition interest in any amount will be paid on the allowed

15 subrogation claims. However, unless and until the RSA is approved, out of an abundance of caution,

16 the Ad Hoc Subrogation Group reserves its rights to argue for postpetition interest on the claims of

17 its members at the applicable rate under state law in the context of any plan put forward for

18 confirmation.[1]

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27 [1]   If the RSA is approved, the Ad Hoc Subrogation Group does not intend to participate further in any briefing or
           argument regarding postpetition interest.

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1   Dated: November 22, 2019

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3   **WILLKIE FARR & GALLAGHER LLP**

4

5   */s/ Matthew A. Feldman*
                         Matthew A. Feldman (*pro hac vice*)

6   Joseph G. Minias (*pro hac vice*)
                         Benjamin P. McCallen (*pro hac vice*)

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